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Articles:

1) Japan to offer patrol crafts to Yemen against pirates

TOKYO SHIMBUN (Page 1) (Abridged)  
December 24, 2008

The government is coordinating to offer patrol ships or patrol boats to Yemen at its request in order to back up the international community's antipiracy efforts in waters off Somalia in the eastern part of Africa, government officials revealed yesterday.

Patrol ships and boats-whose armoring is strengthened with bulletproof glass-fall under the category of weapons that are embargoed under Japan's three principles on weapons exports. However, the government will except them from its tripartite ordnance embargo. The opposition parties will likely voice concern since the three principles may become insubstantial.

This is the second case of offering patrol crafts to a foreign country, following the first case that was based on a cabinet decision for Indonesia in June 2006. This measure is intended to help Yemen improve its maritime security capability, and it is expected to be implemented within the framework of nonreimbursable funding cooperation (grant aid) for ODA. Yemen will be required to promise not to use the crafts for military purposes.

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2) Gov't frets over barriers to MSDF dispatch for antipiracy efforts off Somalia

NIKKEI (Page 2) (Abridged)  
December 24, 2008

An increasing number of merchant ships have been attacked by pirates that are rampant off Somalia in the eastern part of Africa. The government is upset about its incapability of launching any effective antipiracy measures. One option is to create a new law to send the Maritime Self-Defense Force, but this option seems infeasible in the aftermath of intensifying confrontation between the ruling and opposition parties in the Diet. Meanwhile, the government is also looking into the possibility of sending the MSDF within the bounds of a currently existing law or otherwise providing indirect support through its official development assistance (ODA) programs. These options, however, have many problems to clear. The government is therefore getting delayed in its coordination.

The North Atlantic Treaty Organization (NATO) has already been conducting security operations in waters off Somalia against pirates. China decided early this month to send naval vessels, and South Korea is also reportedly considering a similar measure. "China is also going to send naval vessels," a senior Foreign Ministry official said. "I wonder if only Japan is allowed to do nothing," the official added.

The government and the ruling coalition are exploring the option of establishing a general or permanent law that allows Japan to crack down on pirates on the high seas. However, it will not be easy to coordinate with the opposition parties that dominate the House of Councillors. As it stands, the government and ruling parties are also looking into the possibility of legislating special measures that will limit the scope of MSDF activities to areas off Somalia since damage from pirates is serious there in particular.

In either case, however, it is certain that the Diet will not enter into full-fledged deliberations on relevant bills until after next spring when the budget for next fiscal year is expected to clear the Diet. It will be around May or June next year even at the earliest when Japan can send MSDF vessels, according to a government official.

For the time being, the government is exploring the option of issuing an order for maritime security operations under the Self-Defense Forces Law and sending MSDF vessels or P-3C patrol aircraft. However, maritime security operations are originally for the SDF to deal with emergencies in waters near Japan. There is a view noting that sending MSDF vessels to areas near Africa deviates from the law's purport.

In its maritime security operations, the MSDF is allowed to escort and guard only Japanese ships. Defense Minister Yasukazu Hamada raised a question about this option, saying: "When I think of international cooperation, I wonder if it's appropriate to consider our country's ships only." Another issue is the government's constitutional interpretation that prohibits Japan from participating in collective self-defense. In this respect, there may be cases falling under the notion of collective self-defense. In addition, there are many other barriers to get over.

Another idea is to offer patrol ships through ODA programs to Yemen

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and other coastal countries. This idea, however, could be pursued by the opposition parties in connection with Japan's self-imposed three principles on arms exports.

3) Government earmarks 30 billion yen in aid to Afghanistan in extra budget bill

NIKKEI (Page 2) (Full)  
December 23, 2008

In a move to accelerate reconstruction assistance for Afghanistan, the government has earmarked 30.1 billion yen (330 million dollars) in the second supplementary budget bill for fiscal 2008 to finance such assistance measures as strengthening the monitoring structure for the Afghan presidential election scheduled for next fall. The government finds it difficult to make such full-scale contributions as dispatching Self-Defense Force troops to Afghanistan. Given this, Japan aims to keep its profile by extending generous financial aid.

The government plans to fund security measures, including one to have the presidential election steadily implemented, and food aid. The government has so far disbursed approximately 200 million dollars in aid to Afghanistan annually on average. In fiscal 2007, it contributed about 20 billion yen. But the government, keeping the worsening security situation there in mind, has decided to secure an amount about 1.5 times that provided in fiscal 2007.

4) Road construction funds to be extended to Palestinian Authority

YOMIURI (Page 4) (Full)  
December 24, 2008

The government on December 23 decided to extend grant aid worth 89 million yen for the Livelihood and Road Construction Program of Jericho in the Palestinian Autonomous Area on the West Bank district of the Jordan River and signed exchange of notes with Palestinian Authority Prime Minister Fayed. The deal is part of Japan's concept for creating the Corridor for Peace and Prosperity for co-existence and co-prosperity between Israel and the Palestinians.

5) Aso starts coordination to visit South Korea next month

NIKKEI (Page 2) (Full)  
December 24, 2008

Prime Minister Taro Aso has started coordination to visit South Korea, focusing on the three-day weekend starting on Jan.10, according to a government source yesterday. Shuttle diplomacy - regularized reciprocal visits between the Japanese and South Korean leaders - has been suspended due to a dispute over the Takeshima/Dokdo islets and other issues.

In the Japan-South Korea summit held on the sidelines of the Japan-China-South Korea summit held on Dec. 13, President Lee

Myung-bak invited Aso to visit his country early next year. The prime minister's move is in response to this invitation.

6) LDP local chapters perplexed by prime minister's unpopularity:  
Call for solidarity of headquarters; Moves to directly express their  
disgruntlement

YOMIURI (Page 4) (Full)

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December 24, 2008

The ruling Liberal Democratic Party's (LDP) local chapters are perplexed by the sharp decline in public approval ratings for the Aso cabinet. The party will hold on December 16 in Tokyo a meeting of secretaries general and policy research council chairman of local chapters from all over the nation. Participants are bound to express their disgruntlement.

Senior members of the Ibaraki Chapter, including Chairman Buhei Yamaguchi on December visited Secretary General Hosoda at the LDP headquarters. They handed a protest note calling for a resolute discipline and measures against the criticism of the prime minister by some LDP lawmakers, calling such acts that only serve the enemy.

The Ibaraki Chapter sent a letter calling for support for Prime Minister Aso to local chapters throughout the nation as well.

Yamaguchi, Ibaraki Chapter old guard, is known for his close relationship with the prime minister. He has apparently thrown a lifeline to Aso, who is in trouble due to the plunge in support ratings for his cabinet.

Moves to submit a protest note are also seen in Fukuoka, the prime minister's home district, Kumamoto, Yamanashi, Hyogo and Fukushima. Their protest notes all express a sense of alarm about the situation, as one by the Kumamoto Chapter notes that with a decisive contest with the Democratic Party of Japan (DPJ) close at hand, selfish language and behaviors should not be overlooked.

On the other hand, other chapters are critical of the prime minister and the leadership.

The Miyazaki Chapter had planned to make its own TV commercial, in which a president of a small company is raising his voice, saying, "I am worried about my employees. I am more serious than the prime minister." The plan was, however, cancelled, meeting criticism from and within the chapter that such a commercial would only be taken as anti-Aso. The incident indicated how strong LDP local chapters' disgruntlement is toward the unpopular Aso cabinet.

A senior member of the Fukushima Chapter on the 18th went to Tokyo and lodged a protest directly with Election Committee Chairman Makoto Koga, who referred to the possibility of taking a second look at election cooperation with the New Komeito, saying, "When a harsh election campaign is expected, the presence of the New Komeito is great. I want you to know more about the situations local chapters are facing."

The Kyoto Chapter started soliciting opinions to the prime minister from among Kyoto Prefectural Assembly members and Kyoto City Assembly members in order to convey dissatisfaction felt by local assembly members to the leadership.

7) Prime Minister Aso and New Komeito reach ambiguous agreement on wording of consumption tax increase to avoid damaging coalition

MAINICHI (Page 2) (Excerpts)  
December 23, 2008

The decision in talks within the ruling camp to expressly mention in the government's draft mid-term program "three years later" as the

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date for implementing a consumption-tax increase - wording that the prime minister had insisted on - has saved the face of Prime Minister Taro Aso. However, the truth of the matter is that the settlement was ambiguous in order to avoid creating cracks in the coalition, with the prime minister pitted against the New Komeito on the issue.

The New Komeito absolutely wanted to avoid going into the next election as the party that raised taxes. The settlement on the tax program wording was a mere stopgap measure to keep the coalition and by extension the Aso administration from cracking.

#### 8) Administrative reforms in retreat

NIKKEI (Page 2) (Excerpts)  
December 23, 2008

The government has decided to set up a center to promote human exchanges between the public and private sectors to unify the management of public servants' reemployment. Even after the center is established, however, central government agencies will continue to arrange jobs for their officials after retirement, according to informed sources, and some ex-officials may be allowed to receive a huge amount of retirement allowances through the repeated amakudari (golden parachute) practice of finding employment in public corporations or the private sector. Members in the Liberal Democratic Party calling for continuing Koizumi reform plans have criticized the retreat of administrative reform efforts.

The center will be launched on Dec. 31, based on the revised National Civil Service Law enacted in 2007.

In a cabinet meeting on Dec. 19, the government adopted an ordinance stipulating the details of the new center, including the date of its inauguration. The ordinance allows the center to help ex-officials find jobs after retirement as a three-year grace measure, as well as to even assist ex-officials working in private firms in finding next jobs.

In late 2007, an expert panel of the government decided to ban the center from helping amakudari officials to find second jobs in the private sector. Government agencies also issue reports promising not to such a practice. In a meeting of the House of Representatives Cabinet Committee in May, then State Minister in Charge of Administrative Reform Yoshimi Watanabe replied that the report of the expert panel will be respected under an ordinance.

Government sources admit that the ordinance adopted on Dec. 19 is to override the trend of promoting administrative reforms.

In the LDP, those who have placed importance on the Koizumi reform policy have sharply criticized the retreat of administrative reform efforts.

#### 9) Showcase of DPJ's draft Environment Vision includes tax to combat global warming

YOMIURI (Page 21) (Full)  
December 24, 2008

The Democratic Party of Japan (DPJ) on December 23 revealed its draft Environment Vision showing its comprehensive approach to the

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environmental issues, including global warming. The package focuses on imposing on companies a tax to combat global warming that limits the use of revenues to the development of energy-saving technologies and freezing dam construction projects throughout the nation for two years.

The draft vision also calls for taxation of freon-gas emissions, noting that revenues from those taxes will be allocated for assistance for the development of energy-saving technologies on a

priority basis. Concerning emissions of greenhouse gases, the draft vision proposes cutting more than 60 PERCENT from the 1990 level before 2050. The DPJ had advocated in its Upper House election campaign in 2007 a 50 PERCENT reduction by 2050. The DPJ also proposed freezing dam construction projects for two years and then assessing the impact on the environment. The package also includes the enactment of a public works control law, which regulates government-sponsored public works, and a basic asbestos measures law designed to relieve health damage caused by asbestos.

The draft criticizes the Liberal Democratic Party's (LDP) economic stimulus packages, noting that priority has been given not to the environment but to economic growth and not to future generations but to present generations. It also says that it is possible to strike a balance between economic development and employment security, by intensively promoting technological development for energy saving and recycling.

10) Foreign missions in Japan making contacts with DPJ, eyeing possibility of a change in government

SANKEI (Page 5) (Full)  
December 23, 2008

The ambassadors and other officers at foreign diplomatic missions in Japan are increasing their contacts with the Democratic Party of Japan (DPJ), such as by scheduling meetings with party executives. This is not only directly connected to their diplomatic strategy toward a possible DPJ administration should there be a change of government following the next Lower House election, it also reflects the desire of various foreign governments of building personal contacts with the executives of that party.

According to a source in the DPJ, Secretary General Yukio Hatoyama in early December met successively with the ambassadors of Britain, France, and Australia for exchanges of views. China's ambassador, too, reportedly has asked for an early meeting with DPJ head Ichiro Ozawa. The same source in the DPJ said: "There is no end to the requests for meetings from other diplomatic missions."

On the 19th, former U.S. Deputy Assistant Secretary for Defense Joseph Nye and former NSC Senior Asia Director Michael Green - both Japan experts - met in a Tokyo hotel with DPJ deputy head Naoto Kan and others, and they all agreed that it was important for the DPJ and the U.S. Democratic Party to increase mutual exchanges.

After the meeting, Hatoyama, who had sat in, stated: "We exchanged views on our policies toward Afghanistan, and listened to an outline of the thinking of President-elect Obama. It appeared that coordination of views centered on Afghanistan, where the U.S. is increasing its troop presence, took place. According to an informed source, "Under the Obama administration, if (Japan's) DPJ cancels oil refueling activities in the Indian Ocean, and makes a move to

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revise the Japan-U.S. Status of Forces Agreement, it will be taken as anti-U.S."

11) Defense Ministry's reform plan designed to prevent recurrence of cases similar to Tamogami

NIKKEI (Page 2) (Full)  
December 23, 2008

The Defense Ministry held a meeting yesterday of its ministry reform office, headed by Defense Minister Yasukazu Hamada, and finalized a report spelling out basic views about the ministry's reforms that will be implemented in fiscal 2010 and reflect a series of scandals involving the ministry. The report proposes continuing efforts to unify the missions performed by civilian personnel from internal bureaus and uniformed personnel from the Self-Defense Force staff offices. In reference to the issue involving former Air Self-Defense Force Chief of Staff Gen. Toshio Tamogami, who was dismissed from his post over a controversial essay different from the government's view of history, the report specifies: "Studies will be conducted in

the ministry, with the issue of the former Air Self-Defense Force chief of staff kept in mind," indicating an eagerness to hurriedly implement measures to prevent a recurrence of similar cases to Tamogami's.

Under the new policy, the ministry's Operational Policy Bureau will be abolished, and the work of managing SDF units will be transferred to the ministry's Joint Staff Office, which is composed mostly of uniformed personnel. The defense buildup section responsible for selecting key equipment will be integrated into the internal bureau in charge of the same duty.

12) Defense Ministry draft reform plan includes defense strategy

YOMIURI (Page 4) (Excerpt)  
December 23, 2008

The Ministry of Defense in a meeting of its reform council on Dec. 22 adopted a set of basic reform policy options for structural reforms in fiscal 2010. The main features of the policy course contained in the proposals are the strengthening of the planning function of the Defense Policy Bureau and the drafting of a defense strategy that will indicate the country's national defense targets and the means to get there.

The mandate for such policy options were contained in the report in July of the defense reform council in the Prime Minister's Official Residence (Kantei). The report proposed the unification of the defense-capability building sections that lie in the internal bureaus of the ministry and the staff councils of the three defense forces. Although the focus was on establishing new units, the basic premise of the policy options was to be based on the internal bureaus.

ZUMWALT